

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

November 20, 2003

Steven P Hershey
Eckert Seamans Cherin & Mellott, LLC
1515 Market Street
Ninth Floor
Philadelphia, Pennsylvania 19102

RE Docket # 03-00469

Dear Mr Hershey

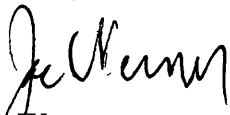
CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. We are in receipt of your Data Responses filed on September 22, 2003 and November 3, 2003, however, based on the application and these responses, the Staff has additional requests. To assist the Authority in its review of Citynet's application for a Certificate of Convenience and Necessity to provide competing facilities-based local services in Tennessee, please provide the additional information

- 1 Citynet provided with their application forecasts for Citynet Holdings, LLC for 2003, 2004 and 2005 in financial support for the Applicant, Citynet Tennessee, LLC. Data Request #4 dated August 20, 2003 requested the Applicant provide forecasts including an income statement, balance sheet and statement of cash flows for the Applicant, Citynet Tennessee, LLC for 2004, 2005 and 2006. Data Request #4 was not responded to in your Data Response filed September 22, 2003 or in your Data Response filed November 3, 2003. Please provide the forecasts for 2004, 2005 and 2006 for Citynet Tennessee, LLC as previously requested.
- 2 Data Request #5 dated August 20, 2003 was not included in the Data Response filed September 22, 2003 or in the Data Response filed November 3, 2003. Please provide the estimated cost of the network switches and unbundled network elements (UNE's) for Citynet Tennessee, LLC as previously requested.
- 3 Please provide details of the bank line of credit borrowings on the forecasted balance sheet of Citynet Holdings, LLC previously provided. What bank is providing the line of credit? Please provide a copy of the line of credit from the bank.
- 4 Please provide details on the short term note payable for February 2003 and March 2003 as forecasted on the balance sheet previously provided. Who is the holder of the note? What are the terms of the note? Please provide a copy of the note.

- 5 Please provide details on the long term note payable as forecasted on the balance sheet beginning in April 2003 previously provided Who is the holder of the note? What are the terms of the note? Please provide a copy of the note
- 6 What makes up the Accounts Payable Citynet, LLC as forecasted on the previous provided balance sheet beginning in January
- 7 Since Citynet Holdings, LLC has affiliates that are authorized to conduct operation in Ohio and West Virginia, please provide Citynet Holdings, LLC interim financial statements for 2003
- 8 What Citynet Holdings, LLC companies have been certified and in what states at the present time?

Please provide this information by December 1, 2003. If you have any questions concerning this request or need additional information, please call Patsy Fulton at 615-741-2904 ext. 193

Sincerely,



Joe Werner
Telecommunications Chief

Cc: Docket File
Boyd B Ferris, Ferris & Newman, LLP